SURFACE TRANSPORTATION BOARD

STB Finance Docket No. 33407

DAKOTA, MINNESOTA & EASTERN RAILROAD CORPORATION CONSTRUCTION INTO THE POWDER RIVER BASIN

Decided September 22, 2000

ACTION: Notice of availability of Draft Environmental Impact Statement and notice of public meetings.

SUMMARY: The Dakota, Minnesota & Eastern Railroad Corporation (DM&E) has filed an application with the Surface Transportation Board (Board) for authority to construct and operate new rail line facilities in east-central Wyoming, southwest South Dakota, and south-central Minnesota. The project, known as the Powder River Basin Expansion Project, involves approximately 280.9 miles of new rail line construction and would extend DM&E's existing rail line from Wall, South Dakota west to coal mines in Wyoming's Powder River Basin. Additionally, DM&E proposes to rebuild approximately 597.8 miles of existing rail line along its current system to standards acceptable for operation of unit coal trains. The project would require actions by a number of Federal agencies, including the Board, the U.S. Department of Agriculture Forest Service (USFS), the U.S. Department of the Interior Bureau of Land Management (BLM), the U.S. Army Corps of Engineers (COE), the U.S. Department of the Interior Bureau of Reclamation (Reclamation), and the U.S. Coast Guard (Coast Guard).

The Board, through its Section of Environmental Analysis (SEA) and in cooperation with USFS, BLM, COE, Reclamation, and the Coast Guard, has published a Draft Environmental Impact Statement (Draft EIS) for the Powder River Basin Expansion Project. This Draft EIS is a preliminary analysis of the potential environmental impacts of the DM&E proposal and its reasonable and feasible alternatives, including the No-Action Alternative. SEA emphasizes that the conclusions and recommended environmental mitigation measures in this Draft EIS are preliminary, and invites public and agency comments on all aspects of the Draft EIS. SEA is providing a 90-day public comment period on the Draft EIS. Comments must be postmarked by the close of the comment period, which is January 5, 2001. Information on how to submit comments is set forth below.

SEA, working with the five cooperating agencies, will make its final recommendations on the project, including environmentally preferable alternative(s) and environmental mitigation, to the Board in the Final EIS, after considering all public comments on the Draft EIS and conducting further environmental analysis, agency consultations, and site visits, as appropriate.

The Final EIS will be issued after public comments have been received, reviewed, and fully evaluated. Notice of availability of the Final EIS will be published in the Federal Register.

Following issuance of the Final EIS, the Board will make its final decision regarding this project and any environmental conditions it might impose. When considering whether to grant final approval of the proposed transaction, the Board will consider the potential environmental effects and the cost of any environmental mitigation it might impose on the project. In reaching its final decision in this proceeding, the Board will take into account the full environmental record, including the Draft EIS, the Final EIS, and all public and agency comments received. The cooperating agencies will issue their decisions based on the same environmental record.

FOR FURTHER INFORMATION CONTACT: Victoria Rutson, Project Manager, Surface Transportation Board, Powder River Basin Expansion Project, 1-877-404-3044; U.S. Department of Agriculture Forest Service: Wendy Schmitzer, (307) 358-4690; U.S. Department of the Interior Bureau of Land Management: Bill Carson, (307) 746-4453; U.S. Army Corps of Engineers: Jerry Folkers, (402) 221-4173 (Omaha District) and Timothy Fell, (651) 290-5360 (St. Paul District); U.S. Department of the Interior Bureau of Reclamation: Kenneth Parr, (605) 394-9757; U. S. Coast Guard: Bruce McLaren, (314) 539-33724. [TDD/TDY for hearing impaired: 1-800-877-8339.]

SUPPLEMENTARY INFORMATION

Public Availability: In addition to mailing the document to over 2,500 interested parties, SEA has distributed the Draft EIS to over 80 public libraries in the project area and asked that the entire Draft EIS be made publicly available in their reference section. To obtain the name of the library nearest you that has received the Draft EIS, please call the toll-free Environmental Hotline at 1-877- 404-3044 and leave your name, address, and telephone number. The entire Draft EIS is also available on the Board's website (http://www.stb.dot.gov) by clicking on the "Decisions" button and searching by Service date (September 27, 2000) or Docket Number (FD 33407). The Draft EIS will be listed as Environmental Document under the "TYPE" category. Because of the size of the document — over 2000 pages and several volumes — distribution of the entire Draft EIS has been limited to key governmental agencies, parties of record, and those who requested the entire document in response to SEA's postcard mailing in June 2000.

<u>Public Comment</u>: Written comments on the Draft EIS must be submitted by **January 5, 2001**. For comments over five pages long, please send an original and ten copies. For comments five pages long and less, an original alone may be submitted. Please send all comments to the following address:

Office of the Secretary Case Control Unit STB Finance Docket No. 33407 Surface Transportation Board 1925 K. Street NW Washington, D.C. 20423-0001

In the lower left-hand corner of the envelope, please include the following:

Attention: Victoria Rutson

Environmental Project Manager Environment Filing

SEA is also requesting comments on other documents set forth in Appendices to the Draft EIS, specifically, the Biological Assessment, the Programmatic Agreement and Identification Plan, and the Memorandum of Agreement. Comments on these documents are also due by January 5, 2001 and should be submitted to the Board according to the instructions above.

Regarding the Forest Plan Amendments, which are also set forth in the Executive Summary and in Appendix L to the Draft EIS, the National Forest Management Act, 36 CFR 219.10(e), requires consistency between projects being proposed and National Forest Land and Resource Management Plans (Forest Plans). Accordingly, USFS evaluated two existing Forest Plans (Nebraska and Medicine Bow Forest Plans) for consistency with standards and guidelines of those plans as well as the Draft National Grasslands Plan Revision (Preferred Alternative 3). Based on the identification of its Preferred Alternative, Alternative C, USFS has determined that if Alternative C is selected for implementation, then Alternative C will not be consistent with any of the Forest Plans above, and plan amendments must be proposed. You are invited to comment on these proposed Forest Plan Amendments and may send written comments to Ms. Wendy Schmitzer, USFS Project Coordinator, Douglas Ranger District, 2250 East Richards Street, Douglas, Wyoming, 82633, or call (307) 358-1634. You may email comments on the Forest Plan Amendments to: wschmitzer@fs.fed.us.

SEA anticipates that DM&E will submit two permit applications under Section 404 of the Clean Water Act to the COE by the publication date of this Notice. Comments on DM&E's Section 404 Permit Application relating to Minnesota should be sent to: Mr. Timothy Fell, U.S. Army Corps of Engineers, St. Paul District, 190 5th Street East, St. Paul, MN 55101-1638. Comments on DM&E's Section 404 Permit Application relating to Wyoming and South Dakota should be sent to: Mr. Jerry Folkers, U.S. Army Corps of Engineers, Omaha District, 215 North 17th Street, Omaha, NE 68102-4978. The COE has made the Applications available for review at various locations. For the location nearest you that has the Section 404 Application relating to Minnesota, please contact Mr. Fell at (651) 290-5360. For the location nearest you that has the Section 404 Application relating to South Dakota and Wyoming, please contact Mr. Folkers at (402) 221-4173.

<u>Public Meetings</u>: In addition to receiving written comments on the Draft EIS, SEA will host 12 public meetings at the locations and on the dates and times listed below. At each meeting, SEA and the participating cooperating agencies will give a brief presentation. Then members of the public will have the opportunity to speak. All public meetings will follow the same format and agenda. SEA will have a transcriber available at each meeting to ensure that oral comments are accurately recorded. In some locations, two meetings will be held (an afternoon and an evening

session). Both the afternoon and evening meetings will follow the same format and agenda; it is not necessary to attend both meetings.

Douglas, WY

Best Western Douglas Inn

1450 Riverbend Drive Douglas, WY 82633 Monday, October 30, 2000 6:00 - 10:00 p.m.

Newcastle, WY

The Fountain Inn 2 Fountain Plaza Newcastle, WY 82701 Wednesday, November 1, 2000 1:00 - 4:00 p.m. and 6:00 - 10:00 p.m.

Rapid City, SD

Rushmore Plaza Civic Center 444 Mount Rushmore Road North Rapid City, SD 57701 Thursday, November 2, 2000 6:00 - 10:00 p.m.

Pierre, SD

Best Western Kings Inn 200 South Pierre Pierre, SD 57501 Monday, November 13, 2000 1:00 - 4:00 p.m. and 6:00 - 10:00 p.m.

Brookings, SD

Brookings Inn 2500 East 5th Street Brookings, SD 57006 Tuesday, November 14, 2000 1:00 - 4:00 p.m. and 6:00 - 10:00 p.m.

Mankato, MN

Best Western Hotel and Restaurant 1111 Range Street North Mankato, MN 56003 Wednesday, November 15, 2000 1:00 - 4:00 p.m. and 6:00 - 10:00 p.m.

Rochester, MN

Mayo Civic Center

30 Civic Center Drive South East Rochester, MN 55904 Thursday, November 16, 2000 1:00 - 4:00 p.m. and 6:00 - 10:00 p.m.

SEA will also conduct a meeting specifically for interested Tribes and Tribal organizations, as part of the formal government-to-government consultation process on the Draft EIS.

<u>Pre-Registration for Public Meetings</u>: Persons wanting to speak at a public meeting are strongly urged to pre-register by calling the toll-free Environmental Hotline for this project at 1-877- 404-3044 and leave their name, telephone number, the name of any group, business, or agency affiliation, if applicable, and the date and time of the meeting at which they wish to speak. The deadline for pre-registration for all meetings is **October 20, 2000**.

Persons will be called to speak at each meeting in the order in which they pre-registered. Those wishing to speak but that did not pre-register will be accommodated at each meeting as time allows. Those wishing to speak at more than one meeting will also be accommodated as time allows and after all others have had an opportunity to participate. As SEA would like as many persons as possible to participate and given that there will be a limited amount of time at each meeting, all speakers are strongly encouraged to prepare summary oral comments, and submit detailed comments in writing. SEA also encourages groups of individuals with similar comments to designate a representative to speak for them.

By the Board, Elaine K. Kaiser, Chief, Section of Environmental Analysis.

Vernon A. Williams Secretary